

## **Assembly Bill No. 2722**

### **CHAPTER 371**

An act to add Part 4 (commencing with Section 75240) to Division 44 of the Public Resources Code, relating to greenhouse gases.

[Approved by Governor September 14, 2016. Filed with  
Secretary of State September 14, 2016.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 2722, Burke. Transformative Climate Communities Program.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation.

Existing law establishes the Strategic Growth Council, which consists of the heads of various state agencies and certain other members, and requires the council to identify and review activities and funding programs that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner.

This bill would create the Transformative Climate Communities Program, to be administered by the council. The bill would require the council to award competitive grants to specified eligible entities for the development and implementation of neighborhood-level transformative climate community plans that include greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities, as defined. The bill would require the council to develop guidelines and selection criteria for the implementation of the program. The bill would require the California Environmental Protection Agency to provide assistance in performing outreach to disadvantaged communities and assessing the environmental justice benefits of project awards.

*The people of the State of California do enact as follows:*

SECTION 1. Part 4 (commencing with Section 75240) is added to Division 44 of the Public Resources Code, to read:

#### PART 4. TRANSFORMATIVE CLIMATE COMMUNITIES PROGRAM

75240. The Transformative Climate Communities Program is hereby created, to be administered by the Strategic Growth Council. The program shall fund the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities, as described in Section 39711 of the Health and Safety Code. By making such comprehensive public investments, it is the intent of the Legislature that private resources can be more effectively catalyzed to support innovative community and climate transformation in disadvantaged communities.

75241. (a) The council shall award competitive grants to eligible entities through an application process. An eligible entity, including, but not limited to, a nonprofit organization, a community-based organization, a faith-based organization, a coalition or association of nonprofit organizations, a community development finance institution, a community development corporation, a local agency, a joint powers authority, or a tribal government, shall demonstrate multistakeholder partnerships with local agencies, community-based organizations, labor groups, workforce investment boards, and other stakeholders, as appropriate. The council shall award grants for projects that demonstrate community engagement in all phases.

(b) (1) In awarding grants, the council shall make grant selections for plan development contingent on the implementation of one or more projects identified by the plan.

(2) In awarding grants, the council may give priority to plans and projects that cover areas that have a high proportion of census tracts identified as disadvantaged communities and that focus on communities that are most disadvantaged.

(3) The council may award a grant over multiple years.

(c) In order to be eligible for funding under the program, a plan, and a project that implements a plan, shall demonstrate that it will achieve a reduction in emissions of greenhouse gases.

(d) The California Environmental Protection Agency shall provide assistance in performing outreach to disadvantaged communities and assessing the environmental justice benefits of project awards.

(e) Projects shall maximize climate, public health, environmental, workforce, and economic benefits.

75242. (a) The council and all funded entities shall endeavor to identify additional public and private sources of funding to sustain and expand the program.

(b) The council shall fund technical assistance providers to assist in application development and project development and implementation.

75243. (a) Before awarding funds under the program, the council shall develop guidelines and selection criteria for plan development and implementation of the program.

(b) In adopting guidelines and selection criteria, the council shall consider comments, if any, from local governments, regional agencies, and other stakeholders. The council shall conduct outreach to disadvantaged communities to encourage comments on the draft guidelines and selection criteria from those communities.

(c) In adopting the guidelines, the council shall consider whether eligible plans and projects avoid economic displacement of low-income disadvantaged community residents and businesses.